

David Frisby's "Old Vienna/New Vienna; Inside/Outside: Some Parameters in Resistance to Modernity."

Editor's Note

David Frisby's "Old Vienna/New Vienna; Inside/Outside: Some Parameters in Resistance to Modernity" is one of the conference papers already uploaded to the Glasgow University website in 2011. Whilst the previous documents have been uploaded in their original form, these new versions have been edited to facilitate future research and references. The editing process has not been marked in the text at all. Other than this introductory information, I have tried to avoid any interference, here or in the text, that would distract the reader from Frisby's thought.

The paper was presented to the Vienna Internationales Forschungszentrum Kulturwissenschaften conference in June 2000 and is related to Frisby's extensive research for the 2001 *Cityscapes of Modernity* as well as to his larger, but unfinished, project on Otto Wagner and Vienna. Frisby's visiting fellowship at the IFK (1997-1998), the Getty Research Grant which he received jointly with I. Boyd Whyte (1998-2000), and the fellowship and Visiting Professorship at Yale University (1999) are only some of the stages of this research. Without, of course, excluding his other previous or later writings, for a more in-depth study of the various phenomena explored in Frisby's research of that period, the reader may wish to further consult the following works:

(2010)

— "The Significance and Impact of Vienna's *Ringstrasse*," in C. Hermansen (Ed.) *Manifestoes and Transformations in the Early Modernist City*. Farnham: Ashgate, pp.229-253.

(2009)

— "Vienna: Simmel's Other Metropolis," in M. Barbagli and H Ferguson (Eds.) *La Teoria Sociologica e lo Stato Moderno*. Bologna: il Mulino, pp.81-99.

(2008)

— "Streets, Imaginaries and Modernity: Vienna is not Berlin" in G. Prakash and K. M. Kruse (Eds.) *The Spaces of the Modern City*. Princeton: Princeton University Press, pp.21-57.

— "New Introduction", to the 3rd enlarged edition of Frisby, D. (Ed.) *The Philosophy of Money*, London: Routledge.

(2002)

— *Georg Simmel – Revised Edition*. London, Routledge, 2002.

(2001)

— *Cityscapes of Modernity: Critical Explorations*. Cambridge, Polity; Malden, Mass.: Blackwell Publishers Inc.

(2001)

— "Georg Simmels Grossstadt: eine Interpretation" in Musner, L., Wunberg, G. and Lutter, C. (Eds.) *Cultural Turn. Zur Geschichte der Kulturwissenschaften*. Vienna (Turia+Kant) pp.65-86.

(2000)

— (Ed.) *Georg Simmel in Wien. Texte und Kontexte aus dem Wien der Jahrhundertwende*. Vienna: Wiener Universitätsverlag.

(1999)

— "Culture, Memory and Metropolitan Modernity," in Bundesministerium fuer Wissenschaft und Verkehr & IFK (Eds.) *The Study of Contemporary Culture*. Vienna (Turia+Kant), pp.101-115.

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Economic Valorisation

Simmel's exploration of the bridge and the door as illuminating the processes of separation and connection as two sides of the same phenomena is relevant not merely to the inside/outside *cultural* dynamic of symbolic discourses on Old and New Vienna but also to *materialist* aspects of the relationship between inside and outside. When Simmel refers to 'the merciless separation of space' as a definite differentiation of space (including urban space), he also recognizes that such separations are more *and* less visible. Indeed, he prints out that the relationship of a bridge to its banks is more apparent visually than is the relation of a built structure to its foundation 'which disappears from sight beneath it'. Unwittingly, there is another spatial dimension intimated here, namely that of above and below which is just as significant for architecture as is inside and outside. What this suggests, in turn, is that relations between things in space [that Kant subsumed under the possibility of being together – *Beisamkeit*] that are so central to the geographical exploration of spatial relations as spatial networks must be supplemented in architectural discourse with attention to outside and inside and above and below.

But a built structure does not reveal that which, as Simmel intimates, 'disappears from sight beneath it'. The *economic* foundations of urban capitalist structures are to be located in land values and ground rent. Some aspects of the value of built structures are, of course, often revealed in their facades and their level of appointment and refurbishing that are conditioned by their spatial location. However, it should not be assumed that the value of an urban site is determined merely by immediate material factors. Some sites can also possess a *symbolic* significance that commands greater *material*

value. Any reading of the often tortuous deliberations on the theory of ground rent – whether it be its orthodox or Marxist variants – reveals that the determination of value is anything but simple. As Marx suggested, commodities do not move around with their value stamped on their heads, and this is especially true of land as a commodity. What is of relevance to our present concerns is some aspects of the value of urban sites. Alfred Marshall, drawing on van Thünen’s earlier work amongst others, in his examination of the determinants of income from land other than mere ownership or direct capital investment, speaks of a third class of incomes from land ‘which are the indirect result of the general progress of society, rather than the direct result of the investment of capital and labour by individuals for the sake of gain’. This class of income he refers to as a ‘special *situation value*’ derived from advantageous location. Such income can be enhanced by a variety of improvements, including construction of additional storeys on a built structure on the site. From Marx’s perspective, this ‘situation value’ is, as Harvey has pointed out, a source of excess profit that can be translated into ground rent.

Indeed, in the course of his explication of Marx’s theory of rent, Harvey raises some pertinent issues surrounding space and location that are relevant to an understanding *inter alia* of the situation in Vienna at the turn of the nineteenth century. Marx treats land not merely as a means of production but also as a ‘foundation, as a place and space providing a basis of operations’ for human activities. The problem is, however, that the further we move away from land as a means of production the weaker is the force of Marx’s explanatory scheme which, for his legitimate aims, was to focus upon the capitalist mode of *production*. Some of the consequent *lacunae* are pointed out by Harvey, as when he indicates that,

since space is used by everyone – not just producers – we have to consider the implications of “more favoured” locations from the standpoint of all forms of human activity, *including those of consumption*. When we leave the realm of strict commodity production, *a wide range of social and fortuitous circumstances can come into play*. The consumption preferences of the bourgeoisie are, after all, not entirely predictable,

shaped as they are by changing tastes, the whims of fashion, notions of prestige and so on.

The variety of activities that constitute value creation within the capitalist mode of production appear, on Marx's views, amenable to analysis on the basis of labour power employed in them. But, as Harvey suggests, 'some – like wholesaling, retailing and money and financial functions – are more amenable to treatment on this basis than others – for example the location of *administrative, religious, "ideological" and scientific functions*'. In a society that retained strong pre-capitalist elements, the latter's resistance to capitalist value creation and indeed to its conception of value could make the location of 'administrative, religious, "ideological" and scientific functions' fiercely contested.

Harvey thus hints at a problem for a theory of value oriented largely to the capitalist mode of production. But the problem for such a theory – and it is Marx's theory of rent that is being considered – itself reveals a significant issue that is relevant to contested urban locations in Vienna. Marx's theory of ground rent maintains that ground rent 'as the interest on some imaginary capital, constitutes the "value" of the land. What is bought and sold is not the land, but title to the ground-rent yielded by it... Title to the land becomes, in short, a form of *fictitious capital*'. But in a note to this argument, Harvey recognizes that other 'fictions' may also operate in the desire to hold land and, it should be added here, built structures. He notes that,

the social incentives to hold land – prestige, symbolic importance, tradition, etc., – are also very important in practice, but we exclude them from consideration here because they have no direct root within a pure theory of the capitalist mode of production.

For our purposes, however, the discourse of opposition to modernity, and to specific modernist built structures, does indeed appear to focus precisely upon a perceived threat to 'prestige, symbolic importance, tradition'.

Such reflections are very suggestive when applied to the opposition to architectural modernity in several Vienna sites but, above all, Karlsplatz. They

suggest that we should look more closely at ostensibly symbolic conflicts over value that are evident in the turn of the century discourses on Old Vienna versus New Vienna and the cultural value of inside as opposed to outside. What appears as an *aesthetic* contestation surrounding possible modernist architectural projects might also have an *economic* foundation. If it can be argued that the symbolic capital of Old Vienna was located largely in the inner core of the city (largely the first district) and that the cultural and social value ascribed to being inside the city was coterminous with this location, then Old Vienna constitutes an inside and New Vienna constitutes an outside.

The dichotomy of inside and outside only makes sense where there is a (transcendable) boundary between the two. Again, it was Simmel who pointed out that the boundary is a social and not a spatial construction, be it imaginary or substantive (though the two are never exclusive alternatives). Urban boundaries can appear as formal constructions as in the case of administrative districts (*Bezirk*). But *socially* such boundaries are transcended, however unevenly, in terms of social, cultural, gender, ethnic access. The attempt to create boundaries of exclusion against modernity can also be *political*, as in the absence of direct city railway access to the centre of the city for fear of mass transit and mass access to centres of power. Boundaries of exclusion can also be framed *aesthetically* as in Joseph Bayer's argument that modernist architecture is acceptable in the suburbs or 'outside' (largely in the form of villas) but should be excluded from the 'inside', from the core of the city. In different forms, therefore, attempts to establish boundaries seek to direct circulatory flows (be they administrative, social, political, aesthetic) within prescribed paths.

But what of the circulation of commodities and capital? The real and symbolic manifestation of commodity circulation in the form of 'cathedrals of commerce', the department stores that was so evident in Haussmann's Parisian boulevards found no location in Vienna's equivalent prestige development, the Ringstrasse. Then as now there are no department stores either on the Ringstrasse or even along the path of its logical completion as a ring, the quay avenue along the Danube canal between the two 'ends' of the Ringstrasse. Interestingly, it was Wagner whose projected completion of the

Ringstrasse along the Danube canal in 1897 clearly portrays a series of department stores. Even less likely to be realised were, of course, Wagner's projects for a huge department store on the Karlsplatz.

More significantly, and at the same time as the opposition to architectural modernity was drawing upon the symbolic capital of Old Vienna and an 'inside' city, there was another inside/outside discourse in contemporary Vienna. The increasing concern with the housing question at the end of the nineteenth century in Vienna was raising the issues of land speculation, rising ground rents and the like and drawing upon an expanding body of (empirical) data. Prominent among the liberal economists investigating dwelling conditions in Vienna was Eugen Philippovich. In an 1894 study, applying amongst many such criteria as those one and two room dwellings as a percentage of all dwellings, the number of dwellings without kitchens and the density of dwellings (i.e. number of inhabitants) to the Vienna data for 1890, the situation with respect to these three criteria revealed that in Vienna 47.29% of inhabitants lived in such circumstances compared with 36.5% in Berlin, 33.1% in Paris and 7.2% in London. In some districts of Vienna, the over population of the smallest one and two room apartments was 29.3% in Ottakring, 30.8% in the idling and 31.26% in Pavoriten. Of course, as Philippovich points out, it is not necessarily specific districts that have the highest density or worst housing conditions but specific categories of dwellings within districts.

This leads him to calculate a minimum space in the total living space per person which he designates as 'an air space of at least 10 cubic metres and a floor space of at least 4 square metres for every person over one year of age' with a minimum height of a room as 2.5 metres, and with unfavourable lighting conditions 3.0 metres'. This compares with the minimum sleeping accommodation in military barracks requirement of 17 cubic metres in Austria and 13 in German military installations, and according to the English Poor Law 13.5 cubic metres and in English prisons 16 cubic metres per head. In one of his samples of small dwellings, Philippovich found 25% that did not even possess half the minimum air space.

The association of overcrowding and mortality rates is well known and becomes especially evident in a comparison with districts in Vienna. As Philippovich states,

the first [inner city] and tenth [Favoriten] districts stand well apart from one another. In the former, only 7.43% of all dwellings comprise one or two rooms and only 0.84% are overpopulated; in the latter, 61.51% belong to this dwelling category and 8.94% are overpopulated. And correspondingly the annual average of mortality in the first district is 11.6 per thousand inhabitants, in the tenth 35, i.e. in the tenth district more than 3 times as large as in the first district.

This contrast highlights the extreme discrepancy between the most and least favourable districts in Vienna. But the complete table of districts reveals other features. First, that all the predominantly working class districts of Favoriten, Ottakring, Meidling and Simmering have the worst percentage of those of every hundred inhabitants dwelling in 1-2 rooms (Favoriten had 61.51%, Simmering had 54.82%), of overpopulated dwellings (of every hundred) with four or more persons to a room (Favoriten had 8.94% and Ottakring 7.2%) and of mortality rates (of every thousand inhabitants in 1891 Favoriten had 35 and Meidling 31.3). Second, the contrast of extremes hides significant differences between conditions in the first district and adjacent districts. Here the greatest contrast is between the first districts proportion (of every hundred inhabitants) of population living in 1-2 rooms at 7.43% and the next lowest proportion, already almost 50% greater, in the fourth district Wieden with 14.08% (with Josefstadt and Mariahilf at over 18% following). There is an almost equally significant jump in mortality rates (of every 1000 inhabitants in 1891) from 11.6 in the first district to almost 17 in Wieden (IV), Alsergrund (IX) and Neubau (VII).

Yet however wide the discrepancies were with respect to mortality rates and propensity for infectious diseases between districts and housing conditions, there existed a discrepancy which operated in the opposite direction. Philippovich presents the latter as follows:

The more rapid using up of life that accompanies the lower social classes with their poor living conditions is a hard and gruesome fact. And yet in individual cases it is difficult to comprehend and seldom offers the opportunity for comparison with the situation of those who find themselves in more favourable living conditions, since here too death often curtails life prematurely. The situation is different with respect to economic facts that can be comprehended by everyone.... Thus, it is also a well-known fact that the costs of small dwellings in comparison with larger ones and in comparison with the income of the tenant are higher than is the case in middle sized and large dwellings.

From the rental prices of Philippovich's sample of dwellings in Vienna, the rent in Gulden of a single room dwelling per square metre was 5.14, for two rooms 4.8 and three rooms 3.71, and for cubic metres for one room 1.73, for two rooms 1.47 and three rooms 1.31 Gulden. Indeed, in this sample, '9 out of 44 single room dwellings a cubic meter of dwelling space cost more than 2 Gulden, in four cases more than 3 Gulden, i.e. more than for the same space paid for dwellings in the most expensive district on the Ringstrasse' (an 1885 study cited gives the rental price as 2.85 Gulden per cubic metre for Ringstrasse dwellings).

When the burden of rent takes into account average wages, family size, etc., then these absolute figures for rents appear yet more unevenly distributed. Viewed in terms of developments in the recent past, Philippovich suggests that the burden of rent increased in the previous decade, since 'in 1880 the total amount of rental payment in the previous communal districts was 54 million Gulden or 76.6 Gulden per head of population, but in 1890 had increased to 66 million or 80.4 Gulden per head, that is, whilst the population had increased by 15.9% the burden of rent had grown to 21.7%'.

Yet Philippovich recognizes that any examination of housing conditions must also take into account the state of the built environment itself. Indeed,

perhaps even worse than the immediate health endangering dwellings are the numerous evils that derive from the total situation of the city, buildings and dwellings. Here I am referring to the narrow width of streets, the height of buildings, the lack of public spaces, playgrounds,

bathing facilities, the building density of built up surfaces and hence limited size of courtyards, the insufficient water supplies, washing and bathing facilities in dwellings, room size in dwellings, the condition of lavatories and drainage.

In this context, plans for the restructuring of Vienna – the competition for which was eventually won by Otto Wagner in 1894 – would not necessarily address these issues if existing building regulations remained in operation. Indeed, if they remain valid for Greater Vienna,

85% of any building surface may be built upon, even when the buildings achieve an elevation of 25 metres, and the efforts surrounding all General Regulation Plans would be for nothing. The profit interest of the landowner will always lead to intensive building.

Elsewhere, the financial rewards for urban redevelopment are exemplified in a redevelopment in the inner city in 1892 when 23 old structures were replaced by 20 new ones. In this instance,

hitherto, the “old buildings partly in need of redevelopment and rebuilding “attracted 299,149 Gulden interest, but the 20 new ones erected in their place and adapted to the increased requirements of the present day raised 676,984 Gulden, and hence an increase of more than 125%; despite the fact that a significant part of the land had to be given over to street widening.

In general, the redevelopment plans for the Greater Vienna area, that had been established through the incorporation of outer districts in 1890, and which were agreed upon in 1894 – in the year in which Philippovich’s study was also published – cannot be said to have seriously addressed the issues raised with respect to the improvement of housing conditions. The needs of the ‘outside’ districts that contained major concentrations of working class population were hardly taken into account.

Philippovich returned to the housing question at the Munich meeting of the *Verein für Sozialpolitik* in September 1901 (at which Simmel was also

present) with a presentation on the relationship between the land questions and the housing question. His central thesis was that,

it is not land value that determines rent, but rather that the process is the converse of this, that rental value determines land value. Land value is determined by the valorisation process of urban transactions [Verkehr], the land value is a function of the rental price and not the converse of this.

Rather than pursuing the veracity of this claim, what is of interest is again the evidence with respect to the differences in land values between districts of Vienna. In particular, the difference between core and periphery or inside and outside is significant. Philippovich provides the following comparison of land values in the years 1860/65 with present land values:

In the old 10 districts the value rose around 235% and in the outer districts it has risen around 523%. Viewed in absolute terms, however, the inner values rose from 300 to 1006, in the outer districts from 17 to 107 million [florins]. In the inner districts, the amount of the value increase was 700 millions, in the outer districts, where speculation could be most in evidence, it was only not quite 100 millions. Is this not revealing? We operate too often with percentage figures and hence become surprised at the extent of the increase in values. This is not sufficient. If on the Stefansplatz in Vienna the square metre price has risen from 330 to 950 florins, then this is an increase of less than 200%, but in absolute terms it is much more significant in its effect than the change somewhere on the periphery from 2 to 24 florins, that indicates a rise of around 1100%, but in absolute terms is only 22 florins per square metre.

Rather than ascribing the increase in land values to speculation in the outer districts, the argument here is that 'the source of the rising land value lies in the centre of the city'. The argument for this is that in the city centre or core:

The concentration of commercial and industrial enterprises, the historically accustomed preference to have their business there brings about a situation in which a competition for land takes place such that the house owner is given the possibility of raising rents, and only when the prices are unbearable here does the population move out into the outer districts.

This sequence of arguments certainly suggests the significance of inside and outside with respect to rental values and land values, and the crucial significance of the inner core of the city as the motor – as it were – for increase in absolute terms in land values and in increases in rental burdens to the point at which the population moves into the suburbs.

It should be emphasized again that what is at issue in this extensive discussion of rental and land values is not the veracity of Philippovich's hypotheses but rather the centrality of a core/periphery and inside/outside discourse with respect to a crucial aspect of the economy of the city. If we focus more closely upon this differentiation then we find that contemporary evidence presented by Paul Schwarz on 'the development of urban ground rent in Vienna' to the same meeting of the *Verein für Socialpolitik* reveals a dramatic qualitative difference in the increase in ground rents in the first district *compared with all other districts* in the period 1860 to 1899. The explosion in ground rent in the first district was so great in this period that the editors of the journal had to apologize for being unable to present the complete graph of the increase in ground rent for the first district as a comparable graph depicting all the other districts. Indeed, the graph of ground rent for the first district *commences* in 1860 in value terms where the graph for all other districts *terminates* in 1899 (at 330 florins). With respect to the first district it should also be born in mind that large sections of it did not exist as significant sites for ground rent on built structures in 1860, insofar as work on the Ringstrasse zone had only commenced. This makes the increase in urban ground rent in the first district all the more dramatic in the period 1860 to 1899.

Schwarz's survey provides a detailed breakdown of ground rent on properties in each of the then nineteen districts of Vienna. In addition, some

of his specific arguments are worth extracting from his overall survey. But before doing so, Schwarz's general parameters for his comparisons are themselves revealing. In order to compare like with like across districts of Vienna, Schwarz selects 'a 20 metres wide, 25 meters deep regular shaped medium building site, without regard to the individual circumstances of their being qualified for 30 year or 18 year tax exemption'. Hence the comparison underestimates the actual returns on land ownership since, 'the increase in value of a building site in a better situation amounts to around 40-50% with 18 year tax exemption and around 50-60% for 30 year tax exemption above its existing value'. Corner properties which can attract a similar premium are also excluded from the survey. Finally, the comparison of land values is undertaken 'without regard to the valorisation of sites in Vienna as storage places or as cultural spaces [*Kulturgründe*]'. It is worth noting here that the antinomy of commercial and cultural value lies at the heart of much of the debate surrounding contested urban sites in Vienna.